



Business and College Services

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES


March 31, 2014

45

April 15, 2014

VIA COURIER

The Honorable Board of Supervisors
County of Los Angeles
c/o Olga Castaneda, Head, Board Specialist
Room 383, Hall of Administration
500 West Temple Street
Los Angeles, California 90012


SACHI A. HAMAI
EXECUTIVE OFFICER

Re: Pasadena Area Community College District, 2014 General Obligation Refunding Bonds Series A (Tax-Exempt) and 2014 General Obligation Refunding Bonds Series B (Federally Taxable): Request to the Los Angeles County Board of Supervisors to Levy Taxes and to Direct the Auditor-Controller to Place Taxes on Tax Roll

Dear Supervisors:

At this time, the Pasadena Area Community College District (the "District") has authorized and intends to issue its 2014 General Obligation Refunding Bonds Series A (Tax-Exempt) (the "Series 2014A Bonds") and 2014 General Obligation Refunding Bonds Series B (Federally Taxable) (the "Series 2014B Bonds" and, together with the Series 2014A Bonds, the "Bonds") in an aggregate principal amount not to exceed \$42,000,000 for the purpose of refunding certain other outstanding general obligation bonds of the District. On March 5, 2014, the Board of Trustees adopted a resolution (the "District Resolution") authorizing such actions pursuant to Section 53506 et. seq. of the California Government Code and other applicable provision of law with respect to the Bonds. The District Resolution is in full force and effect and the Board of Trustees not has taken any action to amend or rescind the District Resolution. A certified copy of the District Resolution is enclosed herein.

The District formally requests, in accordance with Education Code Section 15250 and other applicable provisions of law, that the Board of Supervisors (the "Board of Supervisors" of the County of Los Angeles (the "County") adopt the enclosed resolution (the "County Resolution") to levy the appropriate taxes for the payment of the Bonds and to direct the Auditor-Controller of the County to place these taxes on the tax roll every year according to a debt service schedule and instructions that will be provided upon the sale of the Bonds, and to direct the Treasurer and Tax Collector of the County of Los Angeles or appointee thereof to serve as Paying Agent for the Bonds.

IT IS THEREFORE REQUESTED THAT:

1. The Board of Supervisors adopt the County Resolution at the next available meeting of the Board of Supervisors following the sale of the Bonds. (Two originals of the County Resolution are enclosed which have been approved as to for by County Counsel.)
2. After the Board of Supervisors has taken action on this letter, the Clerk of the Board of Supervisors furnish two (2) certified copies of the County Resolution to:

Nnanna F. Ogbu, Esq.
Hawkins Delafield & Wood LLP
333 South Grand Avenue, Suite 3650
Los Angeles, California 90071

And send one (1) copy of the Resolution to each of the following:

Los Angeles County Treasurer and Tax Collector
Attention: John Patterson
500 W. Temple Street, Suite 437
Los Angeles, CA 90012

Los Angeles County Auditor-Controller
Attention: Jackie Guevarra
500 W. Temple Street, Suite 603
Los Angeles CA 90012

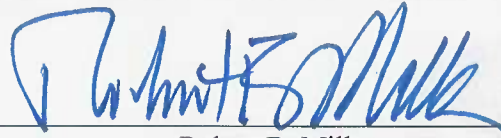
Los Angeles County Counsel
Attention: Cammy C. DuPont, Esq.
500 W. Temple Street, Room 648
Los Angeles, CA 90012

Should you have any questions or concerns, please do not hesitate to contact Arto C. Becker or Nnanna F. Ogbu of Hawkins Delafield & Wood LLP, Bond Counsel to the District, at (213) 236-9050. Thank you for your assistance with this matter.

Sincerely,

PASADENA AREA COMMUNITY COLLEGE DISTRICT

By:



Robert B. Miller

Assistant Superintendent/ Senior Vice President
Business and College Services

CC: Arto C. Becker, Esq.
John Patterson

Enclosures.

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES
AUTHORIZING THE LEVY OF TAXES FOR GENERAL OBLIGATION REFUNDING BONDS OF THE
PASADENA AREA COMMUNITY COLLEGE DISTRICT, DESIGNATING THE PAYING AGENT
THEREFOR AND DIRECTING THE AUDITOR-CONTROLLER OF THE COUNTY OF LOS ANGELES
TO MAINTAIN TAXES ON THE TAX ROLL**

WHEREAS, a duly called election was held in the Pasadena Area Community College District, County of Los Angeles, State of California (the "District"), on March 5, 2002 and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite approval of at least 55% of the qualified electors of the District voting in the election on a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$150,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Measure P Authorization"); and

WHEREAS, on August 3, 2006, the County of Los Angeles (the "County") issued on behalf of and in the name of the District general obligation bonds pursuant to the Measure P Authorization designated the "2002 Election General Obligation Bonds, 2006 Series B" (the "2006 Series B Bonds"), in the aggregate principal amount of \$65,000,000; and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the "Act"), the District is authorized to issue refunding bonds to refund all or a portion of the 2006 Series B Bonds on a negotiated sale basis; and

WHEREAS, the Board of Trustees of the District has authorized, by resolution adopted on March 5, 2014 (the "District Resolution"), the issuance of refunding bonds in an amount not to exceed \$42,000,000 to be designated the "Pasadena Area Community College District (County of Los Angeles, California) 2014 General Obligation Refunding Bonds Series A" (the "Refunding Bonds") for the purpose of refunding all or a portion of the 2006 Series B Bonds; and

WHEREAS, this Board of Supervisors of the County (the "Board") has been formally requested by the District to levy taxes in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, and to direct the Auditor-Controller of the County (the "Auditor-Controller") to maintain on its 2014-15 tax roll, and all subsequent tax rolls sufficient to fulfill the requirements of the debt service schedule for the Refunding Bonds that will be provided to the Auditor-Controller by the District following the sale of the Refunding Bonds; and

WHEREAS, THE District has requested that the Treasurer and Tax Collector of the County (the "Treasurer") be appointed as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Refunding Bonds.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS FOLLOWS:

Section 1. Levy of Taxes. That this Board levy taxes in an amount sufficient to pay when due the principal of and interest on the Refunding Bonds

Section 2. Preparation of Tax Roll. That the Auditor-Controller is hereby directed to place on its 2014-15 tax roll, and all subsequent tax rolls, taxes in an amount sufficient to fulfill the requirements of the debt service schedule for the Refunding Bonds which will be provided to the Auditor-Controller of the County by the District following the sale of the Refunding Bonds.

Section 3. Paying Agent. That the Treasurer act as Paying Agent for the Refunding Bonds. The Treasurer is authorized to contract with a third party to perform the services of Paying Agent.

Section 4. Effective Date. This Resolution shall take effect immediately upon its passage.

The foregoing resolution was on the 15th day of April, 2014, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



SACHI A. HAMAI, Executive Officer
Clerk of the Board of Supervisors of the
County of Los Angeles

By: [Signature]
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: [Signature]
Principal Deputy County Counsel

**Pasadena Area Community College District
County of Los Angeles, State of California**

RESOLUTION NO. 517

**RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED
\$42,000,000 OF PASADENA AREA COMMUNITY COLLEGE DISTRICT 2014
GENERAL OBLIGATION REFUNDING BONDS SERIES A (TAX-EXEMPT) AND
2014 GENERAL OBLIGATION REFUNDING BONDS
SERIES B (FEDERALLY TAXABLE)**

WHEREAS, a duly called election was held in the Pasadena Area Community College District, County of Los Angeles, State of California (the "District"), on March 5, 2002, and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite approval of at least 55% of the qualified electors of the District voting in the election on a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$150,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the "Measure P Authorization"); and

WHEREAS, on August 3, 2006, the County of Los Angeles (the "County") issued on behalf of and in the name of the District general obligation bonds pursuant to the Measure P Authorization designated the "2002 Election General Obligation Bonds, 2006 Series B" (the "2006 Series B Bonds"), in the aggregate principal amount of \$65,000,000; and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the "Act"), the District is authorized to issue refunding bonds to refund all or a portion of the 2006 Series B Bonds on a negotiated sale basis or at a public sale; and

WHEREAS, it is desirable that all or a portion of the 2006 Series B Bonds be refunded (such refunded 2006 Series B Bonds being referred to herein as the "Refunded Bonds"); and

WHEREAS, in order to refund all or a portion of a Series of the 2006 Series B Bonds, it is desirable that the District issue two or more series of refunding bonds to be designated the "Pasadena Area Community College District (County of Los Angeles, California) 2014 General Obligation Refunding Bonds Series A (Tax-Exempt)" with respect to Tax-Exempt Refunding Bonds (defined herein) and "Pasadena Area Community College District (County of Los Angeles, California) 2014 General Obligation Refunding Bonds Series B (Federally Taxable)" with respect to Taxable Refunding Bonds (defined herein) with such other designations as may be approved as herein provided (collectively, the "Refunding Bonds" and each series of Refunding Bonds, individually, a "Series of Refunding Bonds"), according to the terms and in the manner herein provided; and

WHEREAS, pursuant to Section 53558(a) of the Government Code, the District is authorized to deposit certain proceeds of the sale of the Refunding Bonds in escrow in an amount sufficient to pay the principal of and interest and redemption premiums, if any, on the Refunded Bonds as they become due or at designated dates prior to maturity, and to use certain proceeds of the Refunding Bonds to pay the costs of issuance of the Refunding Bonds; and

WHEREAS, the moneys to redeem or defease the Refunded Bonds shall be applied to such purpose pursuant to an Escrow Agreement by and between the District and U.S. Bank National Association, the paying agent for the 2006 Series B Bonds, as paying agent and as escrow agent (the "Escrow Agreement"); and

WHEREAS, this Board of Trustees of the District (this "Board of Trustees") deems it necessary and desirable to authorize the sale of the Refunding Bonds by a negotiated sale pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") to be entered into with RBC Capital Markets, LLC (the "Underwriter") as herein provided; and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Refunding Bonds, the Underwriter must have reasonably determined that the District has undertaken in a written agreement or contract for the benefit of the holders of the Refunding Bonds to provide disclosure of certain financial and operating information and certain enumerated events on an ongoing basis; and

WHEREAS, in order to cause either such requirement to be satisfied, the District desires to execute and deliver a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with a public offering of the Refunding Bonds has been prepared (the "Preliminary Official Statement"); and

WHEREAS, the Los Angeles County Superintendent of Schools has jurisdiction over the District; and

WHEREAS, this Board of Trustees desires that the County of Los Angeles (the "County") levy and collect a tax on all taxable property within the District sufficient to provide for payment of the Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County (the "Board of Supervisors"), the Auditor-Controller of the County (together with any authorized deputy thereof, the "County Auditor-Controller"), the Treasurer and Tax Collector of the County (together with any authorized deputy thereof, the "County Treasurer") and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of the Refunding Bonds and such portion, if any, of the 2006 Series B Bonds as shall remain outstanding following the issuance of the related Series of Refunding Bonds; and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Escrow Agreement;

- (b) the Bond Purchase Agreement;
- (c) the Continuing Disclosure Agreement; and
- (d) the Preliminary Official Statement; and

WHEREAS, the District desires to proceed to issue and sell one or more Series of Refunding Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of each such Series of Refunding Bonds; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California (the "State") to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by this Board of Trustees of the Pasadena Area Community College District, County of Los Angeles, California, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the Board of Trustees so finds and determines.

Section 2. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Refunding Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the District and the Owners from time to time of the Refunding Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Refunding Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Refunding Bonds over any other thereof.

Section 3. Determination. This Board of Trustees hereby determines that prudent management of the fiscal affairs of the District requires that, subject to the provisions of Section 5 hereof, the District issue the Refunding Bonds under the provisions of the Act to refund all or a portion of the Series of 2006 Series B Bonds.

Section 4. Authorization and Designation of Refunding Bonds. Subject to the provisions of Section 5 hereof, the issuance of Refunding Bonds, in the aggregate principal amount of not to exceed \$42,000,000, on the terms and conditions set forth, and subject to the limitations specified, herein, is hereby authorized and approved. Each Series of Refunding Bonds shall be dated, shall accrue interest at the rates, shall mature on the dates, and shall be as otherwise provided in the Bond Purchase Agreement as the same shall be completed as provided in this Resolution.

Each Series of Refunding Bonds may be issued by the District as either Tax-Exempt Refunding Bonds or as Taxable Refunding Bonds. The term "Tax-Exempt Refunding Bonds"

means those Refunding Bonds issued by the District the interest on which is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Internal Revenue Code of 1986, as amended (the "Code"). The term "Taxable Refunding Bonds" means those Refunding Bonds issued by the District the interest on which is not Tax-Exempt. The Board of Trustees hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on the Refunding Bonds issued as Taxable Refunding Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such Series of Refunding Bonds.

Section 5. Sale of Bonds. This Board of Trustees deems it necessary and desirable to authorize, and hereby authorizes, the sale of each Series of Refunding Bonds by a negotiated sale pursuant to the Bond Purchase Agreement to be entered into with the Underwriter; provided, however, that (1) the aggregate principal amount of the Refunding Bonds shall not exceed \$42,000,000, (2) no Series of Refunding Bonds shall have a final maturity date later than the latest maturity date of the corresponding Refunded Bonds, (3) the interest rate on any Refunding Bond shall not be in excess of the maximum rate permitted by law, (4) the true interest cost for each applicable Series of Refunding Bonds shall not be in excess of the maximum rate permitted by law, (5) the total net interest cost to maturity of each applicable Series of Refunding Bonds, plus the principal amount of such Series of Refunding Bonds, shall not be in excess of the total net interest cost to maturity of the applicable Refunded Bonds, plus the principal amount of such Refunded Bonds, (6) the Underwriter's compensation, as applicable, shall not exceed 0.55% of the principal amount of the corresponding Series of Refunding Bonds.

The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to determine the specific maturities and amounts of the 2006 Series B Bonds or portions thereof to be refunded based upon market conditions existing at the time of the pricing of the Refunding Bonds. In addition, the Authorized Officers are, and each of them acting alone is, hereby authorized to negotiate with the Underwriter the interest rates on the Refunding Bonds and the purchase price of the Refunding Bonds to be paid by the Underwriter to the District.

Section 6. Designated Costs of Issuing Refunding Bonds. The refunding of all or a portion of the 2006 Series B Bonds is hereby approved. Each such refunding shall be accomplished by redeeming all or a portion of the 2006 Series B Bonds on the earliest practicable date for which notice of redemption can be given and paying the redemption price therefor, plus accrued interest thereon to the date of redemption. In accordance with Section 53553 of the Act, with respect to the Refunding Bonds, this Board of Trustees hereby designates the following costs and expenses as the "designated costs of issuing the refunding bonds":

- (i) all expenses incident to the calling, retiring, or paying of the applicable Refunded Bonds and incident to the issuance of such Series of Refunding Bonds, including the charges of any escrow agent, trustee or verification agent in connection with the issuance of such Series of Refunding Bonds or in connection with the defeasance, redemption or retirement of such Refunded Bonds;

(ii) the interest upon such Refunded Bonds from the date of sale of such Series of Refunding Bonds to the date upon which such Refunded Bonds will be paid pursuant to call; and

(iii) any redemption premium necessary in the calling or retiring of such Refunded Bonds.

Section 7. Escrow Agreement. The form of Escrow Agreement, submitted to and on file with the Board Clerk of this Board of Trustees, is hereby approved. The President of this Board of Trustees, and such other member of this Board of Trustees as the President may designate, the Senior Vice President/Assistant Superintendent, Business and College Services and the Interim Director, Fiscal Services (each, an "Authorized Officer") and such other officers or employees of the District as such Authorized Officer may designate are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Escrow Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Escrow Agreement by such Authorized Officer. The escrow agent named in the applicable Escrow Agreement is hereby authorized and directed to give notice of redemption of the Refunded Bonds pursuant to the terms of the resolution of this Board of Trustees and the resolution of the Board of Supervisors of the County of Los Angeles authorizing the issuance of the Refunded Bonds and pursuant to the terms of the applicable Escrow Agreement.

Section 8. Bond Purchase Agreement. The form of Bond Purchase Agreement, submitted to and on file with the Board Clerk of this Board of Trustees, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver the Bond Purchase Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Officer; provided that the terms of the applicable Series of Refunding Bonds and the sale thereof shall conform in all respects with the limitations contained in this Resolution.

Section 9. Form of Bonds; Execution. (a) The Refunding Bonds shall be issued in fully registered form without coupons. The Refunding Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Trustees, and countersigned by the manual or facsimile signature of the Board Clerk of the Board of Trustees (or the designee of either such respective officers if the President or the Board Clerk of the Board of Trustees are unavailable). The Refunding Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent (as defined herein).

(c) Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section 9, executed by the

Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) The Paying Agent shall assign each Refunding Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 10. Terms of Bonds. The Refunding Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the Bond Purchase Agreement. Each Series of Refunding Bonds shall be issued in denominations of \$5,000 principal amount or any integral multiple thereof. Each Series of Refunding Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the Bond Purchase Agreement. No Refunding Bond shall mature later than the latest maturity date of the corresponding Refunded Bonds. No Refunding Bond shall have principal maturing on more than one principal maturity date.

Each Series of Refunding Bonds shall bear interest at an interest rate or rates not in excess of the maximum rate permitted by law, payable on February 1 and August 1 of each year, commencing on the date set forth in the Bond Purchase Agreement, or such other dates as may be set forth in the Bond Purchase Agreement (each, an "Interest Payment Date"), computed on the basis of a 360-day year of twelve 30-day months. Each Refunding Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated as of a date during the period from the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a business day, or such other date or dates as may be set forth in the Bond Purchase Agreement (each, a "Record Date") to such Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Series of Refunding Bonds, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds of such Series, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds of such Series.

Section 11. Payment of Bonds. The money for the payment of principal, redemption premium, if any, and interest on the Refunding Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all principal and interest coming due on the Refunding Bonds in such year, and to pay from such taxes all amounts due on such Refunding Bonds. The Board of Supervisors, the County Auditor-Controller, the County Treasurer and other officials of the County are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of and interest on each Series of Refunding Bonds as the same shall become due and payable, and to apply moneys in the District's interest and sinking fund as necessary to the payment of such Series of Refunding Bonds,

as provided herein, and to provide for the payment of any portion of any Series of 2006 Series B Bonds which are to remain outstanding pursuant to the authorizing resolution or paying agent agreement, as applicable, under which such bonds were issued. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, (i) to transmit a certified copy of this Resolution and the debt service schedule for each Series of Refunding Bonds to the Board of Supervisors, the County Auditor-Controller and the County Treasurer in sufficient time to permit the County to establish tax rates and necessary funds or accounts for each Series of Refunding Bonds, and (ii) to formally request that the Board of Supervisors adopt a resolution to levy the appropriate taxes as herein provided. This District hereby agrees to reimburse the County for any costs associated with the levy and collection of said taxes upon such documentation of said costs as the District shall reasonably request.

The Board of Supervisors, the Auditor-Controller, the County Treasurer and other officials of the County, are hereby requested to take and authorize such actions as may be necessary, upon, but only upon, the defeasance or redemption of the Refunded Bonds from proceeds of the Refunding Bonds, to discontinue the levy of property taxes on all taxable property of the District for the payment of the Refunded Bonds pursuant to Section 53561 of the Government Code.

The principal of each Series of Refunding Bonds shall be payable in lawful money of the United States of America to the person whose name appears on the books for the registration and transfer of the Refunding Bonds maintained by the Paying Agent in accordance with Section 15 hereof (the "Registration Books") as the registered Owner thereof (the "Owner"), upon the surrender thereof at the principal corporate trust office of the Paying Agent.

The interest on each Series of Refunding Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Refunding Bonds of a Series who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

Principal and interest due on each Series of Refunding Bonds shall be paid from the interest and sinking fund of the District as provided in Section 15146 of the California Education Code. No part of any fund or account of the County is pledged or obligated to the payment of the Refunding Bonds. The obligation for repayment of the Refunding Bonds is the sole obligation of the District.

Section 12. Redemption Provisions. (a) Optional Redemption. Each Series of Refunding Bonds may be subject to redemption, at the option of the District, on the dates and terms as shall be designated in the Bond Purchase Agreement. The Bond Purchase Agreement may provide that the related Series of Refunding Bonds shall not be subject to optional redemption. If less than all of a Series of Refunding Bonds, if any, are subject to such redemption and are called for redemption, such Refunding Bonds shall be redeemed in inverse order of maturities or as otherwise directed by the District (or as otherwise set forth in the Bond Purchase Agreement), and

if less than all of the Refunding Bonds of any given maturity of a Series are called for redemption, the portions of such Refunding Bonds of a given maturity to be redeemed shall be determined by lot (or as otherwise set forth in the Bond Purchase Agreement). Redemption by lot shall be in such manner as the Paying Agent determines; provided, however, that the portion of any Refunding Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof

(b) Mandatory Sinking Fund Redemption. The Refunding Bonds, if any, which are designated in a Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot (or as otherwise set forth in the Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in such Bond Purchase Agreement. Unless otherwise provided in the Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity shall be reduced proportionately or as otherwise directed by the District by the amount of any Refunding Bonds of that maturity redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date. The Bond Purchase Agreement may provide that the Refunding Bonds of a Series shall not be subject to mandatory sinking fund redemption. The County Auditor-Controller is hereby authorized to create such sinking funds or accounts for the term Refunding Bonds as shall be necessary to accomplish the purposes of this Section.

(c) Notice of Redemption. Notice of any redemption of the Refunding Bonds of a Series shall be mailed by the Paying Agent, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date (i) by first class mail to the County and the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the Continuing Disclosure Agreement.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the Series of Refunding Bonds and the date of issue of such Series of Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity of a Series are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity of such Series to be redeemed; (vii) in the case of Refunding Bonds of a Series redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity of such Series to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

Upon the surrender of any Refunding Bond redeemed in part only, the Bond Registrar shall execute and deliver to the Owner thereof a new Refunding Bond or Refunding Bonds of like tenor and maturity and of authorized denominations equal in transfer amounts to the unredeemed portion of the Refunding Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner and the District shall be released and discharged thereupon from all liability to the extent of such payment.

A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Refunding Bonds called for redemption or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Refunding Bonds called for redemption is set aside for the purpose as described in this Section, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds shall be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the interest and sinking fund or the trust fund established for such purpose. All Refunding Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the interest and sinking fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Refunding Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(c) Funds for Redemption. Prior to or on the redemption date of any Refunding Bonds there shall be available in the interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of, interest and premium, if any, on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies shall be held in or returned or transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on

such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 13. Defeasance of Refunding Bonds. If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds of a Series all or any part of the principal, interest and premium, if any, on such Refunding Bonds at the times and in the manner provided herein and in such Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners of such Refunding Bonds shall cease to be entitled to the obligation of the District as provided in Section 11 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under such Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal, interest and premium, if any, represented by such Refunding Bonds, but only out of monies on deposit in the interest and sinking fund or otherwise held in trust for such payment; and provided further, however, that the provisions of Section 14 hereof shall apply in all events.

The District may pay and discharge all or any portion of the outstanding maturities of a Series of Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money and/or Defeasance Securities, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

The term "Defeasance Securities" means (a) non-callable direct and general obligations of the United States of America (including state and local government series), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations; provided that investments in such proportionate interests must be limited to circumstances wherein (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; (b) non-callable obligations of government sponsored agencies that are rated in one of the two highest rating categories assigned by S&P (defined herein) or Moody's (defined herein) but are not guaranteed by a pledge of the full faith and credit of the United States of America; and (c) Advance Refunded Municipal Securities.

The term "Advance Refunded Municipal Securities" means any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state (a) which are not callable prior to maturity or as to which irrevocable instructions have been given to the trustee, fiscal agent or other fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds or other obligations for redemption on the date or dates specified in such instructions, (b) which are secured

as to principal and interest and redemption premium, if any, by a fund consisting only of cash, direct U.S. or U.S. guaranteed obligations, or any combination thereof, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in clause (a) above, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (a) above which have been deposited in such fund, along with any cash on deposit in such fund, have been verified by an independent certified public accountant as being sufficient to pay principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (a) above, as applicable.

The term "Moody's" means Moody's Investors Service, a corporation duly organized and existing under the laws of the State of Delaware, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

The term "S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, a limited liability company duly organized and existing under the laws of the State of Delaware, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "S&P" shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

Section 14. Unclaimed Monies. Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of, redemption premium, if any, or interest on a Series of Refunding Bonds and remaining unclaimed for two years after the principal of all of such Series of Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 15. Paying Agent. This Board of Trustees also hereby authorizes the preparation of a paying agent agreement in connection with the Refunding Bonds, in such form as shall be determined by an Authorized Officer, such approval to be conclusively evidenced by the execution of the paying agent agreement by such Authorized Officer; or, the District may engage the County Treasurer to act as the initial Paying Agent (defined herein) for each Series of Refunding Bonds. The County Treasurer is hereby authorized to contract with any third party to perform the services of Paying Agent under this Resolution. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the applicable Series of Refunding Bonds, or from the interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the County Treasurer. If at any time

the Paying Agent shall resign or be removed, the County Treasurer shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least \$100,000,000 in net assets.

Unless otherwise specifically noted, any reference herein to the Paying Agent shall initially mean the County Treasurer and his designated agents or his successors or assigns, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent (the "Paying Agent"), and any reference herein to the "principal corporate trust office" of the Paying Agent for purposes of transfer, registration, exchange, payment, and surrender of the Refunding Bonds shall initially mean the office of the County Treasurer or the principal corporate trust office of his designated agent bank or other office of his designated agent bank designated thereby for a particular purpose; provided, however, that in the event that "Paying Agent" shall refer to any successor paying agent, bond registrar, authenticating agent or transfer agent for the Refunding Bonds, "principal corporate trust office" shall include the principal corporate trust office or other office of such successor Paying Agent designated thereby for a particular purpose.

The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Refunding Bonds as provided in Sections 16 and 17 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Refunding Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District or the County in a format mutually agreeable to the Paying Agent and the District and/or the County.

The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution, all of which may, pursuant to Education Code Section 15232, be paid from the County's annual levy of *ad valorem* taxes.

Section 16. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the Bond Purchase Agreement, The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for a Series of Refunding Bonds, including any such successor thereto appointed pursuant to this Section 16 ("DTC"), is hereby appointed depository for each Series of Refunding Bonds and each Series of Refunding Bonds shall be issued in book-

entry form only, and shall be initially registered in the name of "Cede & Co.," as nominee of DTC ("Cede & Co."). One bond certificate shall be issued for each maturity of each Series of Refunding Bonds; provided, however, that if different CUSIP numbers are assigned to Refunding Bonds of a Series maturing in a single year or, if Refunding Bonds of a Series maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Refunding Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 15 hereof:

(i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a "substitute depository"); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the District can be obtained, or (2) a determination by the District that it is in the best interests of the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Refunding Bond for each maturity of each Series shall be executed and delivered (in the aggregate principal amount of such Refunding Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Refunding Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 9 hereof and the receipt of such a written request of the District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 17 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) In the case of partial redemption or an advance refunding of a Series of Refunding Bonds evidencing all or a portion of the principal amount then outstanding, DTC shall make an appropriate notation on the Refunding Bonds of such Series indicating the date and amounts of such reduction in principal.

(d) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Refunding Bonds.

(e) So long as the outstanding Refunding Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Refunding Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 17. Transfer and Exchange. (a) Following the termination or removal of DTC or successor depository pursuant to Section 16 hereof, or upon the initial delivery of a Series of Refunding Bonds not registered in the name of Cede & Co., as nominee of DTC, any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 9 hereof, a new Refunding Bond or Refunding Bonds, of the same series, maturity, interest payment dates and interest rate (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Refunding Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Refunding Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the applicable Series of Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

(b) The Refunding Bonds of a Series may be exchanged for Refunding Bonds of other authorized denominations of the same series, maturity, interest payment dates and interest rate, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 9 hereof, a new Refunding Bond or Refunding Bonds of the same series, maturity, interest payment dates and interest rate (for a like aggregate principal amount). The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Refunding Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

Section 18. Refunding Bonds Mutilated, Destroyed, Stolen or Lost. In case any Refunding Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Refunding Bond of like date, interest rate, maturity, Transfer Amount and tenor as the Refunding Bond so mutilated in exchange and substitution for such mutilated Refunding Bond, upon surrender and cancellation thereof. All Refunding Bonds so surrendered shall be cancelled. If any Refunding Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Refunding Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and deliver a new Refunding Bond of like date, interest rate, maturity, Transfer Amount and tenor in lieu of and in substitution for the Refunding Bond so destroyed, stolen or lost. Any new Refunding Bonds issued pursuant to this Section in substitution for Refunding Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Refunding Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Refunding Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Refunding Bonds.

Section 19. Continuing Disclosure Agreement. The form of Continuing Disclosure Agreement, submitted to and on file with the Board Clerk of this Board of Trustees, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the Continuing Disclosure Agreement by such Authorized Officer. Notwithstanding any other provision of this Resolution, failure of the District to comply with the provisions of the Continuing Disclosure Agreement shall not be considered an event of default and shall not be deemed to create any monetary liability on the part of the District to any other persons, including Owners of the Refunding Bonds.

Section 20. Preliminary Official Statement. The form of Preliminary Official Statement relating to the Refunding Bonds, submitted to and on file with the Board Clerk of this Board of Trustees, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use and distribution of the Preliminary Official Statement in connection with the offering and sale of such Refunding Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, to certify on behalf of the District that the information contained in such Preliminary Official Statement is deemed final as of its date or as of the date of any approved amendment or supplement thereto, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 21. Official Statement. The preparation and delivery of a final Official Statement with respect to the Refunding Bonds (the "Official Statement") and its use in connection with the offering and sale of the Refunding Bonds are hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, to execute the final Official Statement and any amendment or supplement thereto, for and in the name of the District.

Section 22. Tax Covenants. Notwithstanding any other provision of this Resolution, absent an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds ("Opinion of Bond Counsel") to the effect that the exclusion from federal gross income of interest on the Tax-Exempt Refunding Bonds will not be adversely affected for federal income tax purposes, the District covenants to comply with all applicable requirements of the Code necessary to preserve such exclusion from federal gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(a) The District will not take or omit to take any action or make any use of the proceeds of the Tax-Exempt Refunding Bonds or of any other moneys or property which would cause the Tax-Exempt Refunding Bonds to be "private activity bonds" within the meaning of Section 141 of the Code.

(b) The District will make no use of the proceeds of the Tax-Exempt Refunding Bonds or of any other amounts or property, regardless of the source, or take or omit to take any action which would cause the Tax-Exempt Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

(c) The District will make no use of the proceeds of the Tax-Exempt Refunding Bonds or take or omit to take any action that would cause the Tax-Exempt Refunding Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

(d) The District will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code.

(e) The District will take no action inconsistent with its expectations stated in any tax certificate executed by the District on the date of issuance of the Tax-Exempt Refunding Bonds (each, a "Tax Certificate") and will comply with the covenants and requirements stated therein and incorporated by reference herein. In furtherance of the foregoing tax covenants of this Section 22, the District will comply with the provisions of the Tax Certificate, which is incorporated herein as if fully set forth herein. These covenants shall survive payment in full or defeasance of the Tax-Exempt Refunding Bonds.

This Section and the covenants set forth herein shall not be applicable to, and nothing contained herein shall be deemed to prevent the District from issuing, Taxable Refunding Bonds.

Section 23. Cost of Issuance. The Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking

association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 15 hereof, as cost of issuance administrator, proceeds of the sale of each Series of Refunding Bonds, in an amount as shall be set forth in the Bond Purchase Agreement, for the purposes of paying the costs associated with the issuance of such Series of Refunding Bonds.

Section 24. Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the County Treasurer, the County Office of Education, or the Paying Agent, the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

Section 25. Ownership of Bonds Permitted. The Paying Agent or the Underwriter may become the Owner of any Refunding Bonds.

Section 26. Professional Services. In connection with the District's issuance and sale of the Refunding Bonds, each Authorized Officer is hereby authorized to enter into an agreement for professional services on behalf of the District for Bond Counsel and Disclosure Counsel with Hawkins Delafield & Wood LLP. In addition, the District hereby designates RBC Capital Markets, LLC to serve as Underwriter in connection with the issuance and sale of the Refunding Bonds.

Section 27. Delegation of Authority. The officers and employees of the District are, and each of them hereby is, authorized and directed to execute and deliver, for and on behalf of the District, any and all documents and instruments and to do and cause to be done any and all acts and things necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 28. Approval of Actions. All actions heretofore taken by the officers and employees of the District with respect to the issuance and sale of the Refunding Bonds, or in connection with or related to any of the agreements or documents referred to herein, are hereby approved, confirmed and ratified.

Section 29. Interpretation. The terms of this Resolution shall be interpreted broadly to effect the purpose of providing authority for the officers and employees of the District to provide for the issuance of, and issue, from time to time, one or more Series of Refunding Bonds in accordance with the provisions of the documents described herein and the Act on the terms set forth in this Resolution.

Section 30. Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Bond Purchase Agreement, the Bond Purchase Agreement prevails to the extent of the inconsistency or conflict.

Section 31. Effective Date. This Resolution shall take effect from and after its date of adoption.

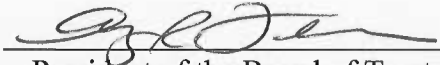
PASSED AND ADOPTED this 5th day of March, 2014 by the Board of Trustees of the Pasadena Area Community College District of the County of Los Angeles, State of California, by the following vote:

AYES: MEMBERS: Martin, Mann, Wah, Brown, Fellow, Thomson, Selvidge

NOES: MEMBERS: none


ABSENT: MEMBERS: none

This is to certify that this is a true and correct copy of the resolution as adopted and approved at a regular meeting of the Board of Trustees of the Pasadena Area Community College District.



President of the Board of Trustees of the
Pasadena Area Community College District

Countersigned:



Board Clerk of the Board of Trustees of the
Pasadena Area Community College District

Paying Agent for that purpose. Upon written request, given no later than the Record Date immediately preceding an interest payment date, of the owner of Refunding Bonds aggregating at least \$42,000,000 in principal amount, interest shall be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates, maturities and redemption provisions), in the aggregate principal amount of \$_____, and designated as "Pasadena Area Community College District (County of Los Angeles, California) 2014 General Obligation Refunding Bonds, Series __ ([Tax-Exempt]/[Federally Taxable])" (the "Refunding Bonds"). The Refunding Bonds were authorized by the Resolution and are issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law. The Refunding Bonds are issued and sold by the Board of Trustees of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution, and subject to the more particular terms specified in the Bond Purchase Agreement pursuant to which the Refunding Bonds were sold.

The Refunding Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same tenor and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payments, and same aggregate principal amount shall be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Refunding Bonds are subject to redemption on the terms and subject to the conditions specified in the Resolution and the Bond Purchase Agreement. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

The Board of Trustees of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and

in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Trustees duly made and entered on its minutes. The Refunding Bonds represent an obligation payable out of the interest and sinking fund of the District, and the money for the payment of principal of, premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

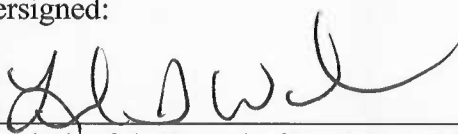
This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the Board of Trustees of the Pasadena Area Community College District, County of Los Angeles, State of California, has caused this bond to be signed by its President and countersigned by the Board Clerk of said Board, as of the date set forth above.



President of the Board of Trustees of the
Pasadena Area Community College District

Countersigned:



Board Clerk of the Board of Trustees of the
Pasadena Area Community College District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Refunding Bonds described in the within-mentioned Resolution and authenticated and registered on _____.

Treasurer and Tax Collector of the County of
Los Angeles, California, as Paying
Agent/Registrar and Transfer Agent

By: _____, as agent

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

I.D. Number

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guarantee: _____
Note: Signature must be guaranteed by an eligible guarantor institution.